

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036
(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

October 8, 2002

RECORDATION NO. 23730-0 FILED

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

OCT 8 '02 10-03 AM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of Supplement No. 16 to Security Agreement, dated as of October 8, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement previously filed with the Board under Recordation Number 23730.

The names and addresses of the parties to the enclosed document are:

Debtor: ACF Industries Incorporated
620 North Second Street
St. Charles, Missouri 63301

Secured Party: Vegas Financial Corp.
740 S. Decatur Blvd.
Las Vegas, NV 89107

Mr. Vernon A. Williams
October 8, 2002
Page Two

A description of the railroad equipment covered by the enclosed document is:

163 railcars ADDED to the Security Agreement within the following series:

SHPX 43844 – 43888
SHPX 205065 – 205071
SHPX 205300 - 205440
and
SHPX 204977

A short summary of the document to appear in the index follows:

Supplement No. 16 to Security Agreement

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anr
Enclosures

RECORDATION NO. 23730-0 FILED

OCT 8 '02 10-03

SURFACE TRANSPORTATION BOARD

SUPPLEMENT NO. 16 TO
SECURITY AGREEMENT
(Addition of Collateral)

This is Supplement No. 16 dated as of October 8, 2002 (the "Supplement") to the Security Agreement dated as of November 1, 2001 (as amended and supplemented, the "Security Agreement"), by and between ACF INDUSTRIES, INCORPORATED, a New Jersey corporation (the "Debtor") and VEGAS FINANCIAL CORP., as Lead Lender for the Lenders (the "Lead Lender").

WHEREAS, the Debtor and the Lead Lender, entered into the Security Agreement dated as of November 1, 2001 pursuant to which the Debtor assigned, mortgaged, pledged, hypothecated, transferred and set over to the Lead Lender and granted the Lead Lender a first priority lien on and security interest in all of the Debtor's right, title and interest in and to, among other things, certain railroad cars and related leases, to secure a certain loan made to the Debtor or its affiliate, pursuant to that certain Revolving Credit Agreement dated as of November 1, 2001 (as amended and supplemented, the "Loan Agreement"), among the Borrowers (as defined therein), including the Debtor, the Lenders (as defined therein) and the Lead Lender;

WHEREAS, the Security Agreement was recorded on November 1, 2001 with the Surface Transportation Board, Recordation No. 23730, and deposited with the Registrar General of Canada, Recordation No. 13711; and

WHEREAS, this Supplement is executed and delivered pursuant to the Security Agreement in order to more particularly identify certain of the Collateral which the Debtor has assigned and granted, or does hereby assign and grant, a security interest in and to the Lead Lender, and to confirm the assignment under, and security interest created by, the Security Agreement with respect to such Collateral.

NOW, THEREFORE, for good and valuable consideration the parties hereto hereby agree as follows:

1. Grant of Security Interest. The Debtor hereby assigns, mortgages, pledges, hypothecates, transfers, sets over and grants to the Lead Lender a first priority lien on and security interest in, in each case pursuant to the Security Agreement and as collateral security for payment and performance of the Obligations (as such term is defined in the Security Agreement), all and singular of the Debtor's rights, title and interest in and to the following Collateral described in paragraphs (a), (b) and (c) hereof:

(a) All of the railroad rolling stock and standard gauge rolling stock listed on Supplemental Schedule No. 16 ("Supplemental Schedule") hereto together with all parts, attachments, accessions, accessories, equipment, appurtenances and additions that are at any time appertaining, attached, affixed or related thereto whether now owned or hereafter acquired, and all substitutions, renewals or replacements thereof and additions, improvements, accessions and accumulations thereto, wherever located, together with all

records, rents, mileage credits earned, issues, income, profits, avails and other proceeds (including insurance proceeds) therefrom (the "Equipment").

(b) All right, title, interest, claims and demands of the Debtor in, to and under each and every lease, including without limitation the leases listed on Supplemental Schedule hereto, (whether or not such lease is in writing or is for a term certain, including, without limitation, per diem leases) now or hereafter entered into relating to the Equipment but to and only to the extent relating to the Equipment (each such portion of such lease being an "Equipment Lease"), including any extensions of the term of every Equipment Lease, all of Debtor's rights under any Equipment Lease to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Equipment Lease to demand, receive, enforce, collect or give receipt for any of the foregoing rights or any property which is the subject of any of the Equipment Leases, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which (in the opinion of the Lead Lender) may be necessary or advisable in connection with any of the foregoing insofar, but only insofar, as such rights relate to the Equipment which is subject to such Equipment Leases, all records related to the Equipment Leases and all payments due and to become due under any Equipment Lease, whether as contractual obligations, damages, casualty payments, insurance proceeds or otherwise to the extent such payments are derived from the Equipment.

(c) All products and proceeds of any of the foregoing in whatever form, including (without limitation) insurance proceeds and any claims against third parties for loss or damage to or destruction of any or all of the foregoing and cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreements or other documents.

2. Interpretation. Except as otherwise defined in this Supplement, terms defined in the Security Agreement or by reference therein or in the Loan Agreement or by reference therein are used herein as defined therein. Schedule A to the Security Agreement shall be amended and supplemented by Supplemental Schedule hereto to include the Equipment and the Equipment Leases more fully described on Supplemental Schedule hereto and Supplemental Schedule hereto shall be deemed to be an addition to and part of Schedule A to the Security Agreement. Each reference to "Schedule A" in the Security Agreement, and each reference to "Schedule A to the Security Agreement" in any other Loan Documents, shall be deemed to be a reference to Schedule A as amended and supplemented by Supplemental Schedule hereto, and each reference to "Equipment" or "Equipment Lease" in any other Loan Documents shall be deemed to include a reference to the Equipment and the Equipment Leases described on Supplemental Schedule hereto. Each reference to the "Security Agreement" in the Security Agreement and each of the other Loan Documents, shall be deemed to be a reference to the Security Agreement as amended and supplemented by this Supplement.

3. Ratification. The Security Agreement is and shall remain in full force and effect and is hereby ratified, approved and confirmed in all respects, and no amendment or supplement in

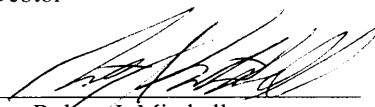
respect of any term or condition of the Security Agreement shall be deemed to be an amendment or supplement in respect of any other term or condition contained in the Security Agreement or any other Loan Documents.

4. Counterparts. This Supplement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Supplement by signing any such counterpart.


[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Supplement in one or more counterparts as of the day and year first above written.

ACF INDUSTRIES, INCORPORATED,
as Debtor

By: 
Name: Robert J. Mitchell
Title: Senior Vice President-Finance

VEGAS FINANCIAL CORP., as Lead Lender

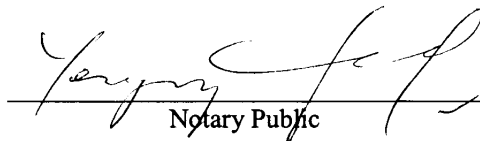
By: 
Name: Ronald P. Lurie
Title: Vice President-Administration

[Signature Page to Supplement No. 16 to Security Agreement]

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 3-rd day of October, 2002, before me, personally appeared Robert J. Mitchell, to me known, who being by me duly sworn, says that he resides in Nassau County, New York and is Senior Vice President of Finance of ACF Industries, Incorporated; that said instrument was signed on behalf of said company on the date hereof by authority of the Board of Directors of ACF, Industries, Incorporated; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

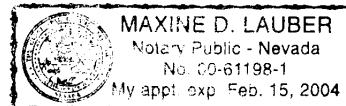
YEVGENY FUNDLER
Notary Public State of New York
No. 02FU6046929
Qualified in New York County
Commission Expires August 21, 2008


Notary Public

STATE OF NEVADA)
) ss.:
CLARK COUNTY)

On this 9th day of September, 2002, before me, personally appeared Ronald P. Lurie. to me known, who being by me duly sworn, says that he resides in Clark County, Nevada and is Vice President of Administration of VEGAS FINANCIAL CORP., that said instrument was signed on behalf of said company on the date hereof by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

Maxine D. Lauber
Notary Public



SUPPLEMENTAL SCHEDULE No. 16

Lessee	Contract	Rptg Mark	Car Number
AG PROCESSING INC.	56650035	SHPX	205394
AG PROCESSING INC.	56650035	SHPX	205395
AG PROCESSING INC.	56650035	SHPX	205396
AG PROCESSING INC.	56650035	SHPX	205397
AG PROCESSING INC.	56650035	SHPX	205398
AG PROCESSING INC.	56650035	SHPX	205399
AG PROCESSING INC.	56650035	SHPX	205400
AG PROCESSING INC.	56650035	SHPX	205401
AG PROCESSING INC.	56650035	SHPX	205402
AG PROCESSING INC.	56650035	SHPX	205403
AG PROCESSING INC.	56650035	SHPX	205404
AG PROCESSING INC.	56650035	SHPX	205405
AG PROCESSING INC.	56650035	SHPX	205406
AG PROCESSING INC.	56650035	SHPX	205407
AG PROCESSING INC.	56650035	SHPX	205408
AG PROCESSING INC.	56650035	SHPX	205409
AG PROCESSING INC.	56650035	SHPX	205410
AG PROCESSING INC.	56650035	SHPX	205411
AG PROCESSING INC.	56650035	SHPX	205412
AG PROCESSING INC.	56650035	SHPX	205413
AG PROCESSING INC.	56650035	SHPX	205414
AG PROCESSING INC.	56650035	SHPX	205415
AG PROCESSING INC.	56650035	SHPX	205416
AG PROCESSING INC.	56650035	SHPX	205417
AG PROCESSING INC.	56650035	SHPX	205418
AG PROCESSING INC.	56650035	SHPX	205419
AG PROCESSING INC.	56650035	SHPX	205420
AG PROCESSING INC.	56650035	SHPX	205421
AG PROCESSING INC.	56650035	SHPX	205422
AG PROCESSING INC.	56650035	SHPX	205423
AG PROCESSING INC.	56650035	SHPX	205424
AG PROCESSING INC.	56650035	SHPX	205425
AG PROCESSING INC.	56650035	SHPX	205426
AG PROCESSING INC.	56650035	SHPX	205427
AG PROCESSING INC.	56650035	SHPX	205428
AG PROCESSING INC.	56650035	SHPX	205429
AG PROCESSING INC.	56650035	SHPX	205430
AG PROCESSING INC.	56650035	SHPX	205431
AG PROCESSING INC.	56650035	SHPX	205432
AG PROCESSING INC.	56650035	SHPX	205433
AG PROCESSING INC.	56650035	SHPX	205434
AG PROCESSING INC.	56650035	SHPX	205435
AG PROCESSING INC.	56650035	SHPX	205436
AG PROCESSING INC.	56650035	SHPX	205437
AG PROCESSING INC.	56650035	SHPX	205438
AG PROCESSING INC.	56650035	SHPX	205439
AG PROCESSING INC.	56650035	SHPX	205440
BORDEN CHEMICAL INC	99660152	SHPX	205300
BORDEN CHEMICAL INC	99660152	SHPX	205301
BORDEN CHEMICAL INC	99660152	SHPX	205302

Lessee	Contract	Rptg Mark	Car Number
BORDEN CHEMICAL INC	99660152	SHPX	205303
BORDEN CHEMICAL INC	99660152	SHPX	205304
BORDEN CHEMICAL INC	99660152	SHPX	205305
BORDEN CHEMICAL INC	99660152	SHPX	205306
BORDEN CHEMICAL INC	99660152	SHPX	205307
BORDEN CHEMICAL INC	99660152	SHPX	205308
BORDEN CHEMICAL INC	99660152	SHPX	205309
BORDEN CHEMICAL INC	99660152	SHPX	205310
BORDEN CHEMICAL INC	99660152	SHPX	205311
BORDEN CHEMICAL INC	99660152	SHPX	205312
BORDEN CHEMICAL INC	99660152	SHPX	205313
BORDEN CHEMICAL INC	99660152	SHPX	205314
BORDEN CHEMICAL INC	99660152	SHPX	205315
BORDEN CHEMICAL INC	99660152	SHPX	205316
BORDEN CHEMICAL INC	99660152	SHPX	205317
BORDEN CHEMICAL INC	99660152	SHPX	205318
BORDEN CHEMICAL INC	99660152	SHPX	205319
BORDEN CHEMICAL INC	99660152	SHPX	205320
BORDEN CHEMICAL INC	99660152	SHPX	205321
BORDEN CHEMICAL INC	99660152	SHPX	205322
BORDEN CHEMICAL INC	99660152	SHPX	205323
BORDEN CHEMICAL INC	99660152	SHPX	205324
BORDEN CHEMICAL INC	99660152	SHPX	205325
BORDEN CHEMICAL INC	99660152	SHPX	205326
BORDEN CHEMICAL INC	99660152	SHPX	205327
BORDEN CHEMICAL INC	99660152	SHPX	205328
BORDEN CHEMICAL INC	99660152	SHPX	205329
BORDEN CHEMICAL INC	99660152	SHPX	205330
BORDEN CHEMICAL INC	99660152	SHPX	205331
BORDEN CHEMICAL INC	99660152	SHPX	205332
BORDEN CHEMICAL INC	99660152	SHPX	205333
BORDEN CHEMICAL INC	99660152	SHPX	205334
BORDEN CHEMICAL INC	99660152	SHPX	205335
BORDEN CHEMICAL INC	99660152	SHPX	205336
BORDEN CHEMICAL INC	99660152	SHPX	205337
BORDEN CHEMICAL INC	99660152	SHPX	205338
BORDEN CHEMICAL INC	99660152	SHPX	205339
BORDEN CHEMICAL INC	99660152	SHPX	205340
BORDEN CHEMICAL INC	99660152	SHPX	205341
BORDEN CHEMICAL INC	99660152	SHPX	205342
BORDEN CHEMICAL INC	99660152	SHPX	205343
BORDEN CHEMICAL INC	99660152	SHPX	205344
BORDEN CHEMICAL INC	99660152	SHPX	205345
BORDEN CHEMICAL INC	99660152	SHPX	205346
BORDEN CHEMICAL INC	99660152	SHPX	205347
BORDEN CHEMICAL INC	99660152	SHPX	205348
BORDEN CHEMICAL INC	99660152	SHPX	205349
BORDEN CHEMICAL INC	99660152	SHPX	205350
BORDEN CHEMICAL INC	99660152	SHPX	205351
CELITE CORP	77560003	SHPX	43865

Lessee	Contract	Rptg Mark	Car Number
CELITE CORP	77560003	SHPX	43866
CELITE CORP	77560003	SHPX	43867
CELITE CORP	77560003	SHPX	43868
CELITE CORP	77560003	SHPX	43869
CELITE CORP	77560003	SHPX	43870
CELITE CORP	77560003	SHPX	43871
CELITE CORP	77560003	SHPX	43872
CELITE CORP	77560003	SHPX	43873
CELITE CORP	77560003	SHPX	43874
CELITE CORP	77560003	SHPX	43875
CELITE CORP	77560003	SHPX	43876
CELITE CORP	77560003	SHPX	43877
CELITE CORP	77560003	SHPX	43878
CELITE CORP	77560003	SHPX	43879
CELITE CORP	77560003	SHPX	43880
CELITE CORP	77560003	SHPX	43881
CELITE CORP	77560003	SHPX	43882
CELITE CORP	77560003	SHPX	43883
CELITE CORP	77560003	SHPX	43884
CELITE CORP	77560003	SHPX	43885
CELITE CORP	77560003	SHPX	43886
CELITE CORP	77560003	SHPX	43887
CELITE CORP	77560003	SHPX	43888
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205369
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205370
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205371
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205372
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205373
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205374
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205375
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205376
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205377
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205378
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205379
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205380
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205381
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205382
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205383
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205384
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205385
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205386
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205387
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205388
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205389
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205390
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205391
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205392
PCI CHEMICALS CANADA COMPANY	52920030	SHPX	205393
PHIBRO-TECH INC	7880	SHPX	205357
PHIBRO-TECH INC	7880	SHPX	205358

Lessee	Contract	Rptg Mark	Car Number
PHIBRO-TECH INC	7880	SHPX	205359
PHIBRO-TECH INC	7880	SHPX	205360
PHIBRO-TECH INC	7880	SHPX	205361
PHIBRO-TECH INC	7880	SHPX	205362
PHIBRO-TECH INC	7880	SHPX	205363
ROQUETTE AMERICA, INC	7855	SHPX	205065
ROQUETTE AMERICA, INC	7855	SHPX	205068
ROQUETTE AMERICA, INC	7855	SHPX	205069
ROQUETTE AMERICA, INC	7855	SHPX	205070
ROQUETTE AMERICA, INC	7855	SHPX	205071
UNIMIN CORP	59240017	SHPX	43844
UNIMIN CORP	59240017	SHPX	43845
VULCAN CHEMICALS	7819	SHPX	204977